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**City Planning Commission
Staff Response to the City Planning Commission
From the December 9th CPC Hearing
Transient Lodging Study
January 13, 2026**

Prepared by: Rachael Berg and Robert Rivers

At the December 9, 2025, City Planning Commission hearing, the City Planning Commission voted to defer action on the Transient Lodging Study to provide time for the staff and Desire Line to clarify and/or answer specific questions to better inform their vote. The length of the study itself and the robust public comments heard at the hearing created a scenario that warranted additional time to digest the report findings and recommendations while balancing the input from the city.

The consultant who completed the Transient Lodging Study, Desire Line, drafted a document to address concerns raised by the public and answer specific questions from the City Planning Commissioners. This document is the City Planning Commission staff response to the Commissioners.

1. Move the French Quarter into the “high impact” neighborhood category and remove the Neighborhood Hotel as a permitted use in the VCE-1 District.

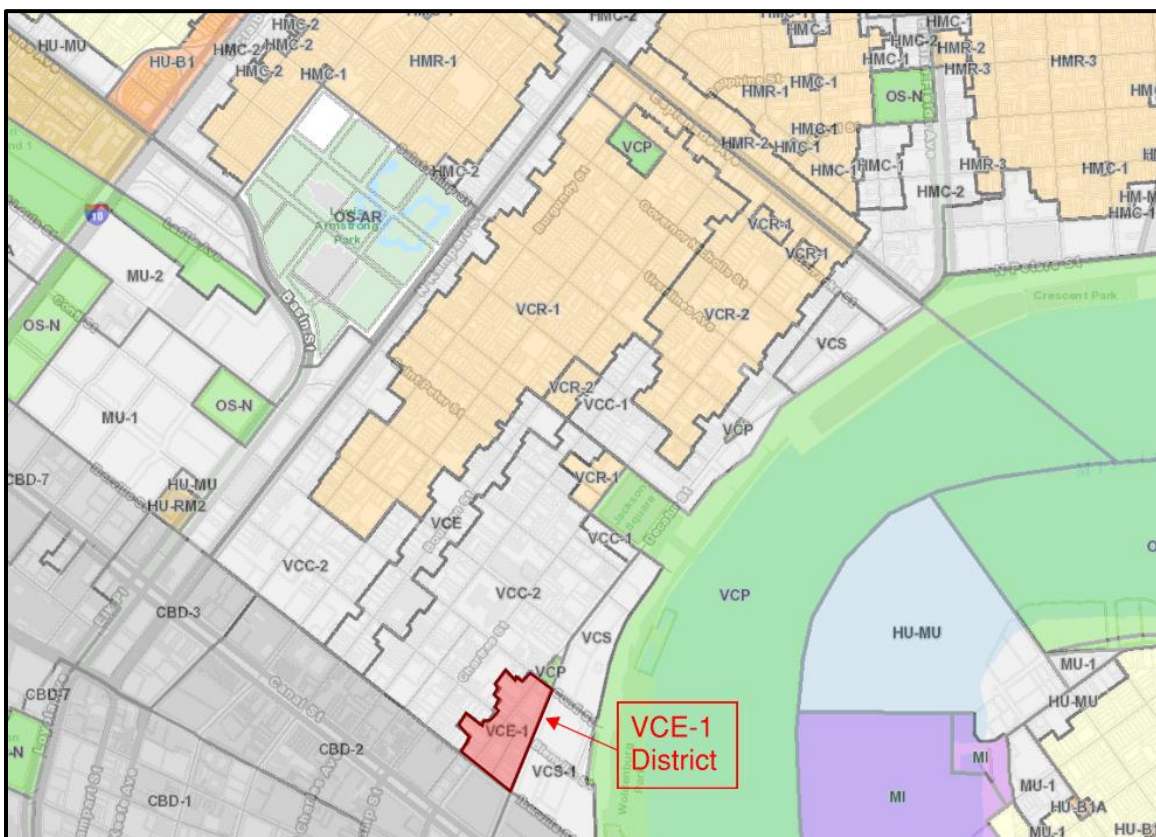
At the December 9, 2025, City Planning Commission hearing, several speakers spoke in opposition of expanding any transient lodging uses to the VCE-1 Vieux Carré Entertainment District. Since 1969, there’s been a moratorium on new hotels and bed and breakfast within the French Quarter. The proposal to permit neighborhood hotels in the VCE-1 District would conflict with this moratorium and both Desire Line and CPC staff agree this recommendation should be removed and the moratorium preserved.

The VCE Vieux Carré Entertainment District is the only zoning district within the French Quarter that allows Commercial Short Term Rentals, making it the only district within the French Quarter to permit any type of new transient lodging uses. The VCE District encompasses eight blocks along Bourbon Street between Iberville Street and St. Ann Street.

The VCE-1 Vieux Carré Entertainment District covers two-blocks of the French Quarter comprised of the 200-300 blocks of Decatur Street and the lakeside of the 200-300 blocks of N. Peters Street. Within these blocks are 20 bars and restaurants with live entertainment venues as a permitted use. In fact, the only permitted

residential use in the VCE-1 District is a dwelling above the ground floor. The only other district in the French Quarter that has such restrictive residential uses in the VCE District. The CPC staff recommended permitting Commercial STRs in the VCE-1 Vieux Carré Entertainment District in the 2018 and 2019 STR Studies, which would have similar land-use impacts as those in the VCE Vieux Carré Entertainment District.

Desire Line and CPC staff both agree that allowing small and medium commercial short term rentals in the VCE-1 District is appropriate and retains consistency with the CPC staff's former recommendations. The recommendation to expand Commercial STRs to the VCE-1 District is an effort to reconcile inconsistency in the Comprehensive Zoning Ordinance by aligning similar zoning districts.



The City Planning Commission staff also agrees with Desire Line that reclassifying the French Quarter to a “high impact” neighborhood would be inconsistent with their methodology for tiering neighborhoods in the City. Regardless of its classification, the City Planning Commission staff believe the moratorium on hotels should be retained and recommends the removal of that use from the VCE-1 District. This recommendation is consistent with Desire Line’s response to community concerns voiced at the December 9th, 2025, CPC hearing.

2. Removal of the proposed Neighborhood Hotels use category.

The City Planning Commission staff worked with Desire Line to create a tiered hotel framework – “neighborhood” and “large” - in recognition that smaller boutique hotels do not have the same impact on the surrounding neighborhood as a large corporate hotel. The scaled categories provide a more nuanced approach to regulating each category’s use permissions.

Neighborhood hotels, originally recommended to have up to 20 room keys, are now recommended to be capped at 16 by both Desire Line and CPC staff. Any hotel with 17 or more room keys would be considered a “large” hotel. Neighborhood Hotels may not have ancillary uses such as bars or standard restaurants unless those uses are permitted in the base zoning district or if a separate land-use entitlement is sought (See Zoning Interpretation Z-22-06). Large hotels may have ancillary uses as a by-right entitlement.

The CPC staff agrees with Desire Line that maintaining these distinct hotel categories allows more nuance in determining where each can be permitted and does not support the removal of the neighborhood hotel category in its entirety. A more appropriate approach is to evaluate in which districts these two hotel types are permitted and amend their use permissions according to public feedback.

In Desire Line’s response letter to the Commission, it is recommended that Bed and Breakfasts may have up to 9 bedrooms if located in a historic structure (in consultation with the HDLC Historic District Landmarks Commission) to help larger single-family homes with maintenance and preservation. The City Planning Commission staff supports this amendment to the original recommendation.

3. Grandfathering, Temporary, and Nonconforming Status.

Commercial Short Term Rental regulations have been amended twice since their original adoption. In 2019, a zoning interpretation (Z-19-05) determined that grandfathering was permitted for properties where CSTRs regulations changed, provided that certain criteria were met. Under this interpretation, the Director of the Department of Safety and Permits concluded that, in accordance with Article 25, Section 25.2.C of the Comprehensive Zoning Ordinance, any property licensed as a CSTR is presumed to be a legally non-conforming use if it satisfies the criteria outlined in the zoning interpretation. This presumption would apply to existing CSTRs once new regulations are codified.

In practice, adoption of another new set of rules would create three different sets of CSTR regulations, depending on when the original license was issued. The CPC staff supplemental report proposes locating the CSTR regulations in Article 21 of the Comprehensive Zoning Ordinance, aligning them with the NSTR regulations, where entitlements are temporary and cannot be grandfathered.

4. Reduce the number of guests permitted in the Commercial Short Term Rental – Large – Category and restrict where this use is permitted to *only* the M-MU Maritime Mixed-Use District.

The Transient Lodging Study recommends three commercial short term rental typologies – small, medium and large. The Large category functions as a “whole home” single-family rental. While the Study initially recommended allowing CSTR-Large in several zoning districts including all the CBD Districts (with the exception of CBD-5), Desire Line’s response to the Commissioners recommends removing this use from all districts with the exception of the M-MU Maritime Mixed-Use District.

At the December 9, 2025, City Planning Commission hearing, several individuals spoke in opposition to the proposed CSTR-L typology, focusing particularly on the proposed maximum occupancy of up to 20 guests. In response, both the public and the Commission suggested reducing the guest cap from 20 to 10 guests, which is the maximum permitted under the current CSTR regulations.

Additionally, the public and the City Planning Commissioners requested to re-evaluate the zoning districts in which this use would be permitted, agreeing it may make sense in a location like Lake Catherine (the M-MU District), but could have an outsized negative impact in many other parts of the City.

The CPC staff agrees that reducing the number of guests from 20 to 10 in a Commercial Short Term Rental – Large – is a sensible adjustment and would greatly reduce potential negative impacts. Moreover, the City Planning Commission staff agrees that restricting the use to *just* the M-MU District is appropriate, as this area’s dispersed housing pattern better accommodates large gatherings with fewer effects on neighboring properties. Many of the other districts initially proposed to permit the CSTR-L typology are within heavy commercial or industrial districts where single-family residential homes are not permitted. The staff has concerns that allowing CSTR-L in these districts may result in legally non-conforming uses that would be difficult or impossible to repurpose if future regulations change.

5. Revisit CBD-5 District

Currently, the CBD-5 District permits Commercial STRs by-right, with existing rules restricting any one building from having no more than 25% of the units utilized as a STR and there is currently no block limitation. The proposal to permit Small and Medium STRs in the CBD-5 District would be more restrictive than what is allowed now. Should a STR already exist within a block, it would restrict the ability for any other property to receive a new STR license.

The CBD-5 District currently allows hotels through conditional use approval. In addition, Hotels and Motels in the CBD-5 District must conform with the Use Standards found in Section 20.3.XXX of the CZO:

The criteria for evaluating Hotel/Motel conditional use applications in the CBD-5 District shall include, but not be limited to the following:

1. Whether there is already a Hotel/Motel established or approved within the CBD-5 District blockface. Hotels/Motels should generally be limited to one (1) per blockface.
2. Whether the Hotels/Motels is 100 room/suites or less. Larger Hotels/Motels should be discouraged.
3. Whether the proposal involves the conversion of dwellings to Hotels/Motels. Residential conversion should be discouraged.
4. Whether the proposed Hotel/Motel would primarily replace a vacant or surface parking lot. Conversion of vacant lots and surface parking lots should be encouraged

All conditional use requests for hotels in the CBD-5 District have been approved since the adoption of the new CZO in 2015. The existence of use standards justify the removal of the conditional use requirement in CBD-5, especially since every proposal has been approved. Desire Line recommends allowing both small and large hotels as a by-right use in this district, treating it consistently to other CBD Districts.

6. Combine STRs into one STR Typology

Combining all NSTRs and CSTRs into one use type was a suggestion posed by the City Planning Commission staff supplementary report. This is ultimately a policy decision that will need to be made by the City Council. Whether this consolidation is appropriate will be determined based on how the City Council chooses to regulate operator presence and operational standards. For example, if the City Council determines new CSTRs must have an operator on-site, the distinction between a NSTR and a CSTR would be negligible. In this scenario, combining these uses into one typology makes sense and would simplify enforcement and the zoning code, reduce confusion and could apply one set of standards to all STRs.

If, however, the City Council adopts regulations that would allow the operation of the STR without an operator on-site, retaining separate terminologies and regulations would be more appropriate.

7. Standardize all transient lodging use categories into: owner occupied, traditional, and lodging.

The City Planning Commission staff does not believe standardizing all transient lodging uses by owner occupancy or “traditional” vs. non-traditional is an effective way to regulate land use, because these uses are inherently different in form and impact. Moreover, simplifying these uses into the proposed categories would dismantle long established use typologies such as hotels and bed and breakfasts. The CPC staff believes removing long established terminology and reclassifying these uses would exacerbate confusion for operators, property owners and the Department of Safety and Permits, consequently making enforcement more difficult.

Should the City Planning Commission or City Council wish to consolidate transient lodging uses into new terminologies, a new study would likely be needed to determine how to differentiate and regulate these uses.

8. Include Jane Place Neighborhood Sustainability Initiative (JPNSI) Eviction data in the study.

Desire Line received eviction data from the Jane Place Neighborhood Sustainability Initiative, and – as noted in Desire Line’s response – was advised to remove that data from the study. A number of data sources were initially reviewed as part of the study, but because the data type and methodology for each source varied, the City Planning Commission advised Desire Line to ensure that its analysis focused on consistent data sources, which resulted in several sources being removed from the analysis. To maintain consistency in data sources, all information that did not come directly from the City or from publicly funded sources (including the Jane Place data) was excluded from the analysis. Additionally, the data from Jane Place did not differentiate Non-Commercial vs. Commercial STRs when analyzing eviction rates, skewing the data in a study where only Commercial STRs were studied. The data from Jane Place is, however, included in the appendix of the Study.

9. Prioritize enforcement.

Enforcement is outside the scope of the Transient Lodging Study but CPC staff recognize that enforcement is a key component to effectively implementing new regulations. The more straightforward the regulations are, the easier they are to enforce.